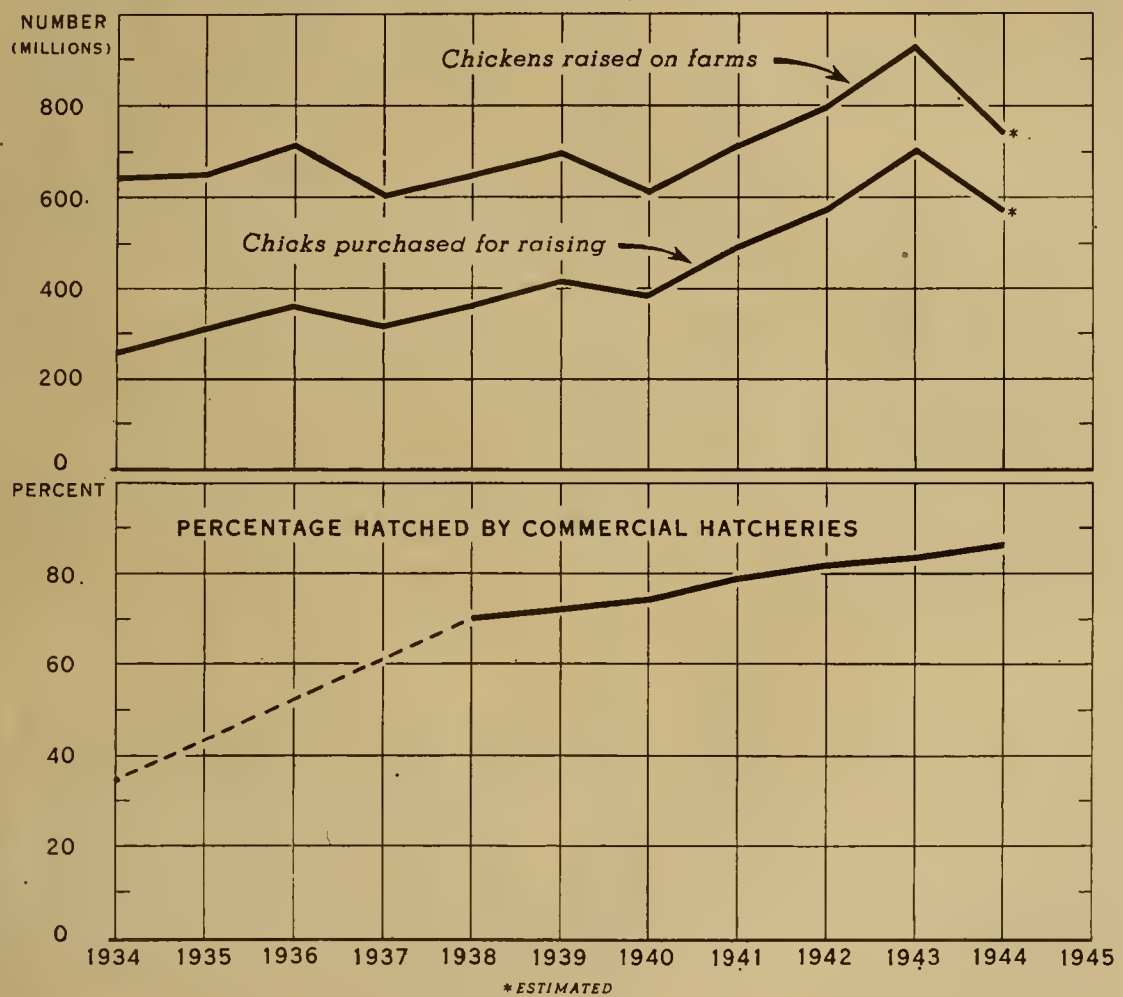
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES - 92 BAE AUGUST 1944

NUMBER OF CHICKENS RAISED ON FARMS, CHICKS PURCHASED FOR RAISING, AND PERCENTAGE HATCHED BY COMMERCIAL HATCHERIES, UNITED STATES, 1934-44



U. S. DEPARTMENT OF AGRICULTURE NEG. 43827 BUREAU OF AGRICULTURAL ECONOMICS

Unfavorable egg-feed and chicken-feed price ratios during the first half of 1944 were primarily responsible for the 20 percent decline from the 1943 record number of chickens raised. However, the percentage decline from 1943 in chicks purchased for raising is estimated at only 18 percent. During the past decade, there has been a marked increase in the proportion of farm-raised chickens that were commercially hatched.

STATISTICAL SUMMARY

ITEM	UNIT	AVERAGE			1943		1944		CURRENT MONTH AS PERCENT OF	
		PERIOD	JUNE	JULY	JUNE	JULY	JUNE	JULY	YEAR EARLIER	AVERAGE
Layers on farms, number	*Million*	1933-42	270.1	255.5	355.7	331.4	362.9	336.1	101	132
Number of eggs laid per hen	*Number*	1938-42	14.44	12.94	15.04	13.70	14.98	13.77	101	106
Total farm production of eggs	*Mil. doz.*	1933-42	325.2	275.8	445.8	378.4	453.1	365.9	102	140
Stocks, eggs, U. S.:[2]										
Shell	*1 000 case*	1933-42	7,664	7,797	8,871	8,678	11,335	9,770	114	125
Frozen	*1 000 case*	1933-42	3,996	4,049	8,607	9,365	9,446	10,325	110	255
Total, shell and frozen	*1,000 case*	1933-42	11,669	11,957	17,478	17,943	20,781	20,095	112	168
Dried whole eggs	*Mil. lb.*	--	--	--	--	--	81.3	96.4	--	--
Apparent egg disappearance, civilian:										
Total shell egg equivalent	*Mil. doz.*	1933-42	278.8	278.5	290.4	312.0	244.6	320.5	103	115
Dried egg production	*Mil. lb.*	--	--	--	23.9	20.6	32.6	--	136	--
Commercial hatchery operations:										
Eggs set	*Million*	--	--	--	226.5	104.2	60.5	42.6	41	--
Chicks hatched	*Million*	1933-42	75.8	25.1	197.6	83.1	68.7	82.3	39	129
Receipts:										
Poultry, dressed, four markets	*Mil. lb.*	1938-42	24.2	24.2	14.2	23.6	36.5	39.6	168	164
Poultry, live, Chicago	*Mil. lb.*	1938-42	5.9	5.3	8.2	4.4	4.8	4.2	95	79
Poultry, live, New York	*Mil. lb.*	1938-42	10.2	8.4	10.9	12.1	10.8	9.4	78	100
Poultry, live, Midwest, per plant	*1,000 lb.*	1933-42	15.44	15.98	15.68	28.87	26.10	28.12	118	178
Fowl (hens), live, Midwest, per plant	*1,000 lb.*	1933-42	11.07	9.23	10.68	13.97	19.85	17.13	123	186
Young stock, live, Midwest, per plant	*1,000 lb.*	1933-42	8.88	8.06	8.68	9.07	4.49	10.27	113	170
Stocks, poultry:[2]										
Broilers	*Mil. lb.*	1938-42	4.9	6.5	1.5	2.9	4.8	8.0	207	92
Fryers	*Mil. lb.*	1938-42	2.6	2.8	1.7	3.3	5.6	7.3	221	317
Roasters	*Mil. lb.*	1933-42	7.5	6.8	2.5	3.9	12.0	13.5	348	241
Fowls (hens)	*Mil. lb.*	1933-42	11.6	12.7	4.8	11.0	37.6	41.5	377	327
Turkeys	*Mil. lb.*	1933-42	14.2	14.2	8.1	5.5	35.3	28.7	522	202
Ducks	*Mil. lb.*	1933-42	4.1	6.5	1.1	2.2	5.0	7.7	350	118
Miscellaneous and unclassified	*Mil. lb.*	1933-42	12.6	13.3	5.9	10.2	30.0	37.4	367	281
Total poultry	*Mil. lb.*	1933-42	61.9	61.1	25.4	38.9	130.8	142.1	365	233
Prices received by farmers:										
Eggs, per dozen	*Cent*	1933-42	17.9	19.6	35.2	36.3	28.1	31.2	86	159
Eggs, parity price per dozen	*Cent*	1933-42	21.8	24.3	28.9	32.3	30.0	33.7	104	139
Eggs, percentage of parity	*Percent*	1933-42	81	80	122	112	94	93	83	116
Chickens, per pound	*Cent*	1933-42	14.5	14.5	25.1	25.3	23.8	24.2	96	167
Chickens, parity price per pound	*Cent*	1933-42	14.8	14.9	18.7	18.8	19.4	19.4	103	130
Chickens, percentage of parity	*Percent*	1933-42	98	97	134	135	123	125	93	129
Turkeys, per pound	*Cent*	1938-42	15.4	15.5	28.6	28.5	30.0	30.1	106	194
All farm commodities (1910-14 = 100)	*Index no.*	1933-42	106	108	195	193	193	192	99	178
Chickens and eggs (1910-14 = 100)	*Index no.*	1933-42	95	101	179	183	154	165	90	163
Wholesale prices, Chicago:										
Eggs, standards, per dozen[3]	*Cent*	1933-42	19.6	20.3	37.9	38.3	33.6	35.4	92	174
Live heavy hens, per pound	*Cent*	1938-42	16.8	17.2	24.0	24.0	23.4	24.7	103	144
Live broilers, per pound	*Cent*	1938-42	19.9	19.2	27.5	27.5	29.6	27.4	100	143
Live roasters, light, per pound	*Cent*	1938-42	20.6	19.5	27.5	27.5	29.9	28.3	103	145
Live roasters, heavy, per pound	*Cent*	1938-42	23.9	21.3	27.5	27.5	29.9	28.3	103	133
Wholesale prices, New York:										
Dressed broilers, 25-30 pounds per dozen, per pound	*Cent*	1938-42	24.4	22.4	36.5	36.5	38.6	37.4	102	167
Dressed roasters, 48-54 pounds per dozen, per pound	*Cent*	1933-42	26.2	25.8	38.0	36.5	38.5	37.5	103	145
Dressed fowls, 48-64 pounds per dozen, per pound	*Cent*	1938-42	21.0	20.3	32.5	32.5	34.4	33.5	103	165
Cash farm income:										
Total marketings	*Mil. dol.*	1938-42	706	814	1,384	1,644	1,506	--	109	213
Poultry and eggs	*Mil. dol.*	1938-42	85	89	206	195	185	--	90	218
Price ratios:										
Chicago, broiler-feed	*Lb. feed*	1938-42	15.7	15.3	13.0	12.9	13.1	12.3	95	80
Chicago, light roaster-feed	*Lb. feed*	1938-42	17.3	16.4	13.0	12.9	13.2	12.7	98	77
Farm, egg-feed	*Lb. feed*	1938-42	13.9	14.7	16.9	17.1	12.3	13.6	80	93
Farm, chicken-feed	*Lb. feed*	1933-42	11.5	11.0	12.1	11.9	10.4	10.6	89	96
Farm, turkey-feed	*Lb. feed*	1937-42	11.4	11.6	18.8	18.4	13.2	13.1	98	113
Farm, egg-laying mash	*Lb. feed*	--	--	--	10.9	11.1	7.7	8.5	77	--
Laying mash, cost per cwt.	*Dollar*	--	--	--	3.23	3.28	3.55	3.66	112	--
Feed cost per cwt., farm poultry ration	*Dollar*	1938-42	1.30	1.86	2.08	2.12	2.28	2.29	108	168
Wholesale food prices (1936-39 = 100)	*Index no.*	1933-42	97.6	98.8	138.6	136.5	134.6	133.8	99	135
Retail food prices (1935-39 = 100)	*Index no.*	1933-42	100.3	101.3	141.9	139.0	135.7	137.4	99	136
Prices paid by farmers including interest and taxes (1910-14 = 100)	*Index no.*	1938-42	129	130	163	164	170	170	104	131
Retail prices (BLS):										
Roasters, dressed, per pound	*Cent*	1933-42	32.1	32.0	44.4	44.5	46.0	45.1	101	141
Eggs, strictly fresh, per dozen	*Cent*	1938-42	31.5	34.2	51.7	54.2	45.7	52.7	97	154
Nonagricultural employees compensation (1935-39 = 100)	*Index no.*	1933-42	109.7	107.0	237.9	235.8	262.5	--	110	239

[1] See December 1943 Poultry and Egg Situation for definition of, and method of computing, "net disappearance."

[2] End of month. Frozen eggs converted to case equivalent.

[3] Fresh firsts June and July 1933-42 average. Current Receipts, June and to July 11, 1943; standards, 44 pounds, July 11-31, 1943. June and July 1944.

THE POULTRY AND EGG SITUATION

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Summary

Cold-storage stocks of shell eggs are the highest since 1930. Egg production, now above last year's levels, may be less in September-December than a year earlier. But supplies of eggs, particularly of the lower grades, will be plentiful. Retail prices for grade B and C eggs probably will be below ceiling levels. But with seasonally small supplies of the better grades, prices for top-quality shell eggs probably will be at or near ceiling levels.

The mid-July average price received by farmers for eggs was 31.2 cents per dozen, 93 percent of parity. This was 3.1 cents above the mid-June farm price for eggs but 5.1 cents below last year. Since July 15 wholesale prices of top grades have risen moderately but prices of lower grades have declined slightly, contrary to the usual seasonal rise.

Egg production on farms for the first 7 months in 1944 was 112 million cases, exceeding last year's output by 6 percent. July egg production was 2 percent above last year, the same percentage difference reported in June. With a record egg production, cold-storage stocks of shell and frozen eggs

on August 1 totaled 20.1 million cases (shell egg equivalent), a record high for that date. Frozen egg holdings, totaling 387 million pounds (10.3 million cases shell egg equivalent) were 10 percent above the previous record attained August 1 last year.

Increases in egg prices in early July were primarily responsible for decreased marketings of fowl in late July and early August. However, marketings of young stock were increasing seasonally and were above last year. The mid-July average price received by farmers for chicken was 24.2 cents, slightly above the mid-June price but 1.1 cents below the previous year. Since mid-July wholesale quotations on live fowl have been at or near ceiling levels, but those of young stock were below ceiling prices. During July the number of chicks hatched and of eggs set by commercial hatcheries were far below last year. Since hatchings at this time of the year are mainly for meat production -- commercial broilers -- supplies of this class of poultry are expected to be smaller in the fourth quarter of this year than they were a year earlier.

Approximately 20 percent fewer chickens were raised on farms this year than last. The number of layers on farms January 1, 1944 was at an all-time high. This was reflected in the record egg production during the first 7 months of the year. However, fewer pullets will be available for adding to laying flocks this fall than last, and egg production is expected to fall below last year's levels in the autumn. The number of layers on farms January 1, 1945 will be 6 to 10 percent smaller than a year earlier. Egg production in the first quarter of 1945, consequently, may be less than in the first quarter of 1944.

-- August 21, 1944

RECENT DEVELOPMENTS

July Egg Production Continues at Record Levels; Culling Rate Below Last Year

Egg production on farms in July was estimated at 12.9 million cases -- a record for that month. With the July rate of lay about 1 percent above last year and number of layers also 1 percent above, egg production was 2 percent above that of 1943. Compared with the 10-year (1933-42) average, July 1944 production was 40 percent higher.

Although the average number of layers on farms during July was 336 million, or 7 percent below that of June, the culling rate for the period July 1 to August 1 was below that of last year. Improved egg prices during the early part of the month probably were responsible for the reduction in the culling of layers. Disappearance of layers from farm flocks in July was 24.0 million birds compared with 26.2 million birds last year.

The average production per layer was 13.8 eggs — equalling the record high rates reported in July of 1941 and 1942. Although the rate of egg production per layer for the preceding 4 months was less than the corresponding months of last year, the July rate of production was ahead of last year. For the first 7 months of this year egg production per layer was 99.9 eggs and exceeded that reported in any comparable period.

Receipts of Eggs at Four Principal Markets and Primary Markets Above Last Year; Wholesale Egg Prices Show Little Change From Previous Month

All available indications pointed to increased supplies of shell eggs during the 3 weeks ending August 12, compared with last year. Receipts at the four principal markets (Chicago, New York, Philadelphia, and Boston) were running ahead of last year. At the Central Western and Pacific Coast primary markets and Eastern egg auctions, the receipts of eggs continued far ahead of last year.

Table 1.- Receipts of shell eggs at specified markets and Eastern egg auctions, July 29-August 12, 1944

(Percentage changes compared with previous year)

Week ended	Four principal markets	Central Western primary markets	Eastern egg auction	Pacific Coast primary markets
	Percent	Percent	Percent	Percent
July 29	+ 0.1	+ 21.0	+ 46.2	+ 21.8
August 5	- .3	+.34.4	+ 32.9	+ 21.0
August 12	+ 1.9	+ 40.5	+ 37.4	+ 24.5

Prices of eggs in wholesale markets were mostly unchanged during the latter part of July and the first half of August. Prices of top grades of eggs in most markets increased only moderately after July 15, and quotations on lower grades and small eggs remained unchanged. Reports indicated that supplies of small eggs and lower grades were difficult to move, and the price of Current Receipts in mid-August at Chicago was 1 cent below the mid-July price and 5.4 cents below the ceiling. The price of U. S. Extras at Chicago increased only 1.25 cents during the 30-day period ending August 15 and was 5.3 cents below ceiling levels.

Three factors were primarily responsible for the fact that wholesale egg quotations did not make their usual August seasonal rise: (1) Increased supplies of shell eggs compared with last year as indicated by market receipts; (2) a record total cold-storage holding of shell and frozen eggs; and (3) decreased requirements of shell and frozen eggs for drying in the remaining months of 1944 compared with 1943 and 1942.

The average price received by farmers for eggs in mid-July — 31.2 cents per dozen — showed about the usual seasonal increase from June 15, but was 5.1 cents below last year. The mid-July price was 93 percent of parity.

With feed prices remaining fairly stable and farm prices for eggs increasing, the egg-feed ratio became more favorable in the 30-day period ending July 15. At 13.6 the ratio was only 80 percent of a year earlier, was about 93 percent of the 10-year (1933-42) average for July 15.

WFA Purchases of Dried Whole Eggs Stepped Up in August

WFA purchases of dried whole eggs for the weeks ending August 5, 12, and 19 were approximately 7 million pounds each. This compares with the average weekly purchases of 4.9 million pounds for the 4 weeks ending July 29.

Although dried eggs purchased by WFA are bought on a cost-plus basis, prices charged by vendors are not permitted to be above the ceiling prices for dried egg set by OPA. Accordingly when wholesale egg prices reach a point which limits manufacturers' margins, offerings of dried egg are likely to decline. This occurred during July. Since July, wholesale quotations on lower grades of eggs have remained mostly unchanged to lower, and the 3-cent per pound increase, effective in August, in the ceiling price of dried whole eggs restored dehydrators to a position where they could make offerings at or below ceiling levels.

The following table sets forth WFA dried whole egg purchases to August 12.

Table 2.- Purchases of dried whole eggs by the War Food Administration through August 12, 1944, by months scheduled for delivery.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1942	11.4	12.9	13.1	13.4	18.3	17.5	18.5	19.2	19.2	22.0	25.3	15.8	206.6
1943	7.2	20.1	12.6	21.4	17.2	10.9	19.6	19.9	16.1	16.4	20.1	28.1	209.6
1944	26.4	27.0	19.1	28.0	27.0	26.2	25.0	29.5	15.3	10.6	6.0	2.7	242.8
1945	1.1												

Final reports of the latest WFA shell egg purchases are not available. However, preliminary indications were that purchases in the early part of August for price-support purposes were negligible. This decline in purchases from previous months was primarily due to a seasonal advance in egg prices with no change in the announced support prices since May 28. It is tentatively estimated that over 6 million cases of shell eggs have been bought since January 1 to support prices. Cancellations of sales to WFA have reduced this figure, however. At present, the following programs for price-support purposes are in operation: (1) Purchases on the Chicago and New York Mercantile Exchange; (2) southern small lot program; and (3) national carlot purchases on an offer and acceptance basis. Purchases of Current Receipts were discontinued in early July when markets increased appreciably.

July Shell Egg Withdrawals Very Heavy; Total Egg Stocks Continue at Record Level

July shell egg withdrawals from storage of 1.6 million cases were the heaviest ever reported for that month. However, shell egg cold-storage holdings of 9.8 million cases on August 1 were the highest for that date since 1930 and were 1.2 million cases above last year. This July rate of withdrawal was four times heavier than the previous record of last year. For the past 3 years there has been a net withdrawal of shell eggs from cold storage in July. This is contrary to the next movement of previous years, and probably can be explained by the shift in the seasonal pattern of egg production. Frozen egg holdings of 387 million pounds on August 1 continued to be the greatest ever recorded. Total egg stocks of 20.1 million cases, shell egg equivalent, were 2.2 million cases above last year's record.

Part of the record movement of shell eggs from storage in July probably was due to WFA withdrawals of shell eggs stored in unsuitable storage facilities and later resold to the trade for drying purposes. An additional part of the shell egg withdrawals may be merely a change in position from shell to frozen form, since frozen eggs showed a record July net input of 33 million pounds or 879,000 cases, shell egg equivalent. Also, increases in egg prices during early July may have been partly responsible for the heavy withdrawals from storage. Reports from the 35 markets indicated that in August withdrawals of shell eggs were continuing heavy, but that the change in storage position of frozen eggs was about the same as last year.

Stocks of dried whole eggs in warehouses were reported for the first time in the July Cold Storage Report. On July 1 such stocks were 81 million pounds and the August 1 holdings were reported at 95 million pounds. The latter stocks are equivalent to about a 3-month average production. Although the shell, frozen and dried egg cold-storage stocks include Government holdings, the method of reporting makes it difficult to separate Federal supplies from commercial holdings. The WFA stocks reported do not include commodities ordered from cold-storage warehouses, but not shipped.

Marketings of Fowl Declining but Young Stock Increasing Seasonally

Indications were that marketings of heavy fowl during August were declinging seasonally, but marketings of young stock showed seasonal gains. Every week of 1944 thus far receipts of fowl at Midwestern primary markets had run ahead of last year, but the percentage increases over the previous year

were becoming smaller as the year advanced. Whereas, for the 4 week period ended July 29, receipts of fowl averaged 22.26 percent above last year, the weeks ended August 5 and 12 showed increases of only 1.44 and 0.15 percent respectively. Marketings of young stock, however, were increasing seasonally and receipts at Midwestern primary markets were averaging 12.84 percent above those of last year for the 4 weeks ending August 12.

Owing to the decreased supplies of fowl, wholesale prices increased in late July and early August and were at or close to ceiling levels. Market quotations on young stock, however, declined in the same period and were below ceiling prices.

Frozen Poultry Holdings Four Times Above Average

Frozen poultry stocks increased 11 million pounds during July, and totaled 142 million pounds on August 1. Holdings of frozen turkeys declined 7 million pounds, but stocks of all other classes increased, especially fowl and ducks.

Chickens Raised on Farms in 1944 Estimated At 20 Percent Below Last Year

In a report based on returns from 126 thousand farmers, BAE estimated that the number of chickens raised in 1944 is 746 million birds, 20 percent below last year but 9 percent above the 10-year (1933-42) average. The intentions report as of February 1 indicated that about 779 million birds would be raised. Low winter and spring egg prices resulting in unfavorable egg-feed price relationships were primarily responsible for the greater decline from last year over the original intentions (see cover chart). The declines were especially pronounced in the South Central States which in recent years changed from a deficit egg producing area to one of surplus. The smallest decreases from last year were in New England States where egg supplies are brought in from other States during most of the year. The changes from last year by regions on a percentage basis are as follows: North Atlantic, 84 percent; East North Central, 80 percent; West North Central, 82 percent; South Atlantic, 82 percent; South Central, 75 percent, and Western, 76 percent.

OUTLOOK

BACKGROUND.- Reflecting a record number of layers and the highest rate of lay ever reported, egg production on farms for the first 7 months of 1944 totaled 112 million cases, a record for that period and 49 percent above the 10-year (1933-42) average for corresponding months. As a result, total cold storage stocks (shell and frozen) on August 1 were equivalent to 20.1 million cases of shell eggs, about 2.2 million cases above last year's peak. Probably 10 to 15 percent of the total consisted of WFA-owned stocks.

Commercial hatcheries hatched 1,101 million chicks in January-May of this year, 22 percent below last year's

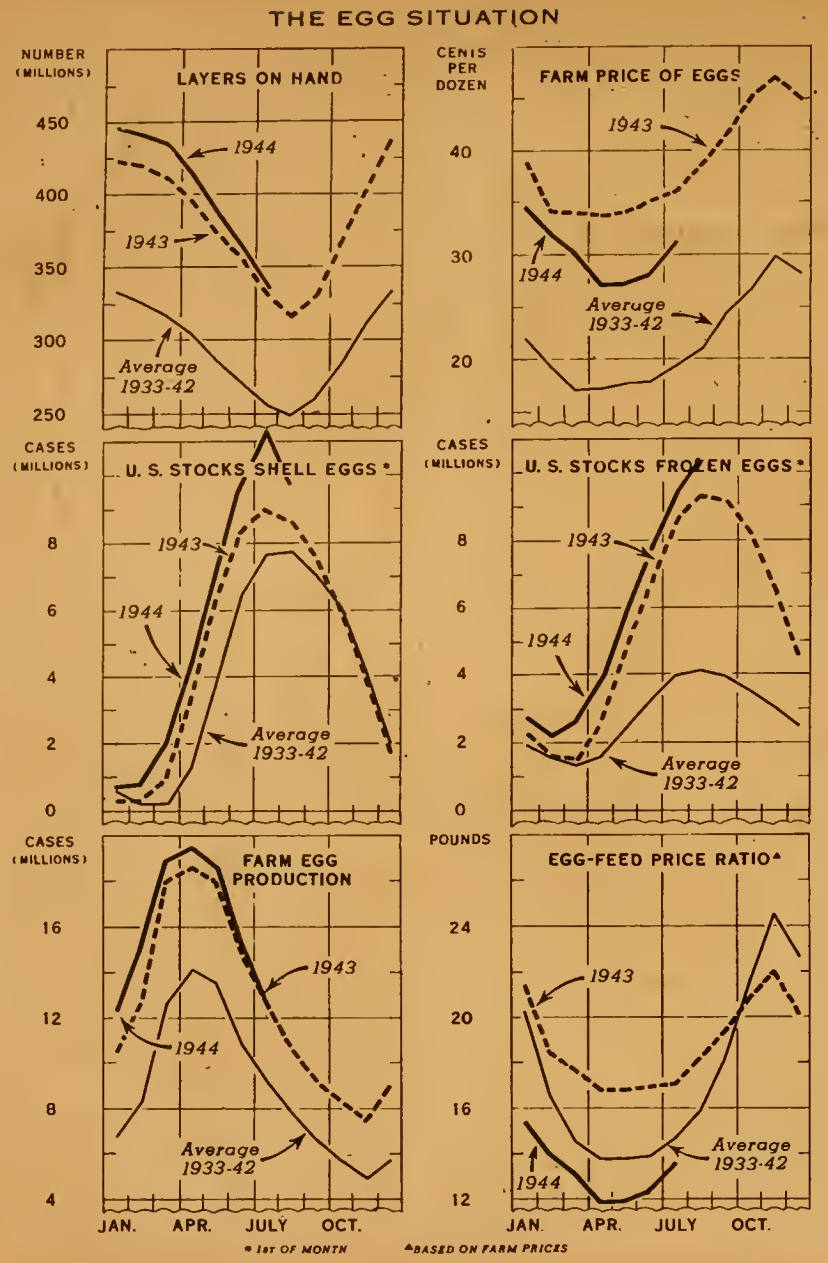

FIGURE 1

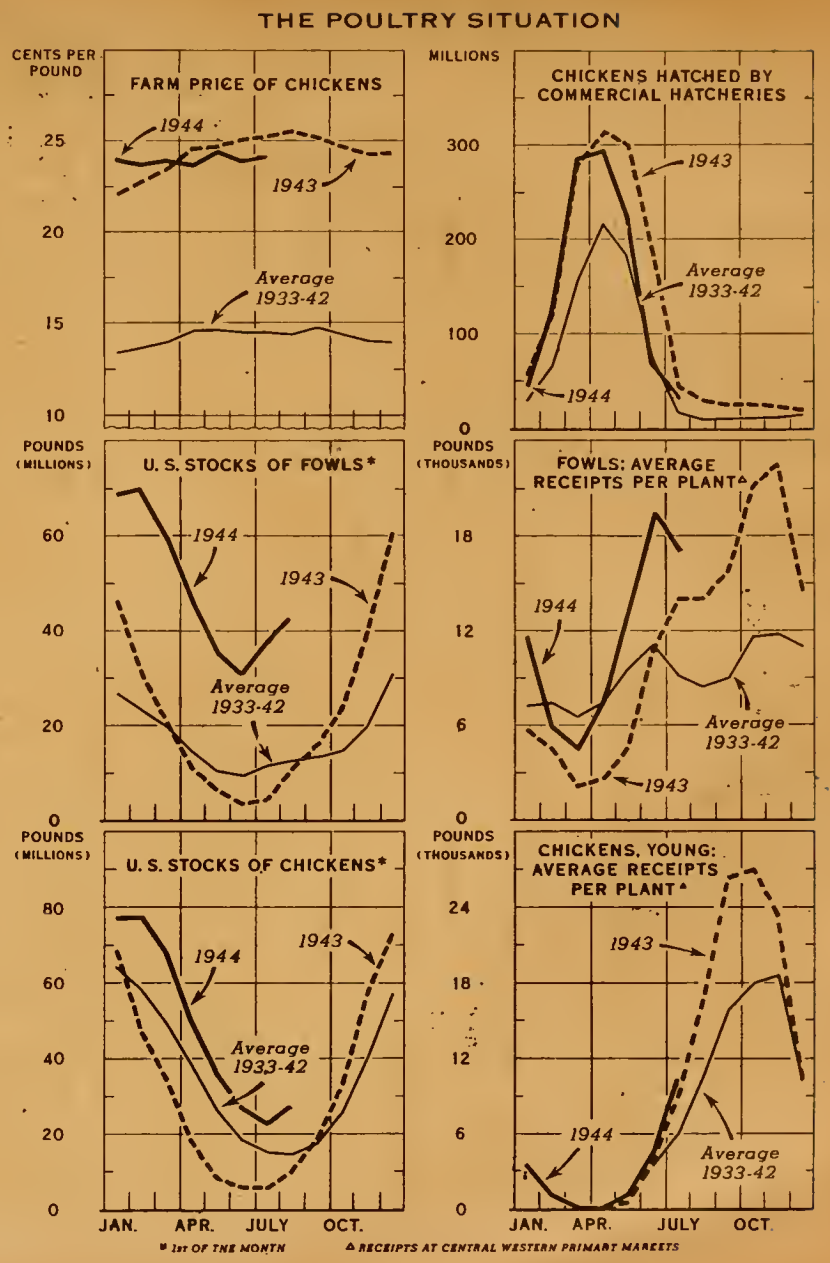

FIGURE 2

record, 1 percent below 1942, but above the same period for any previous year. In June and July, however, the number of chicks hatched totaled only 101 million, 36 percent of last year's high level, but 19 percent above the 5-year (1935-39) average.

Plentiful Supplies of Lower Grade Shell Eggs Expected This Fall

Cold-storage stocks of shell eggs on August 1 were reported at 9.8 million cases, the largest holdings for that date since 1930. Of this amount the Office of Distribution reports holdings of 1.5 million cases plus an undetermined quantity which had been ordered out of storage but not shipped. With demands for later drying (September 1944-January 1945) far below those of the past 2 years, and record frozen egg stocks so that shifts from shell to frozen are unlikely, it appears that stocks held by the trade for sale in shell form are above any August 1 holdings of the past 3 years.

Supplies of shell eggs for civlians in the last 4 months of 1944 probably will be at least as large as in the last 4 months of 1943. Production may be below the record level of last fall, but this will be offset by large supplies now in storage.

A larger share of the shell eggs are expected to be of low quality at the time of withdrawal from storage this year, compared with other recent years. This is largely due to two reasons: This past spring a substantial portion of the shell egss stored were packed in fiber-board cases, wartime substitute for the preferred wooden container; also, because of the record occupancy of coolers, some shell eggs were stored in make-shift storage space.

With consumer incomes about the same as last year, it is reasonable to expect a repetition of the demand situation for shell eggs which existed last fall and early winter. At that time the demand for high quality shell eggs at prevailing ceiling prices equaled and in some instances exceeded available supplies. However, lower grades were below ceiling levels during most of last fall and winter. Since a larger proportion of the storage holdings this year are expected to grade B and C, it appears that supplies of these grades will be larger than last year. Accordingly, wholesale prices for lower grades of eggs may be below last year's levels.

For the September-December period, storage eggs usually account for about one-fifth of the eggs marketed. However, most of the eggs taken from storage are marketed in large urban centers. Accordingly, the proportion of storage eggs consumed during September-December in cities with populations over half a million is much greater than the nationwide average.

Egg Production in First Quarter of 1945 To be Lower Than in 1944

Judging from past relationships, the number of layers on farms the first day of 1945 should be 8 to 10 percent less than on January 1, 1944. However, recent increases of the egg-feed price ratio, because of seasonal rise in the average price received by farmers for eggs and slightly lower prices for feed, may result in a less than usual rate of disappearance of chickens from flocks

this fall. If this should happen, the number of layers on farms January 1 may only be about 6 percent less than last year.

Reflecting the use of improved breeds of birds and better production techniques, the rate of egg production showed a marked increase from 1937 to 1942.. Since 1942, the number of eggs per layer has remained relatively unchanged and this high rate may continue in 1945. But unless unusually favorable weather again prevails, the number of eggs produced per layer this winter is not likely to exceed that of last winter, and may actually be less. Thus, with fewer layers, egg production during the first quarter of 1945 would be substantially less than a year earlier.

Commercial Hatchings 39 Percent of Last Year

July output of chicks by commercial hatcheries was 32 million chicks, 61 percent below last year but 29 percent above the 10-year (1933-42) average. The number of eggs set during July also showed a large decline -- 59 percent -- from last year. Since most hatchings and setting of eggs at this time of year are intended for meat production, mainly broilers, it would appear that supplies of broilers in the last quarter of this year may be less than last year. The important broiler producing States of Delaware, Maryland, and Virginia showed a decline from last July of 46 percent in number of chicks hatched.

ACCEPTANCE OF DRIED EGGS BY CHICAGO HOUSEWIVES

The results of a consumer reaction survey on acceptance of dehydrated foods, made by the BAE, was published in the July 1944 issue of the Marketing and Transportation Situation. One of the products tested was dried whole eggs. The following is a brief summary of the survey, conducted in Chicago between April 17 and May 31, 1944, as it relates to dried whole eggs. Since the results were "unduly favorable because of factors conducive to an upward bias", they should be evaluated carefully.

Some of the questions asked of housewives who had previously used dried whole eggs, and the replies were as follows:

1. If dehydrated eggs were on the market, would you buy them?

Of 102 housewives a total of 74 percent answered that they would be willing to buy dried whole eggs -- 26 percent, if they cost less than fresh eggs; 27 percent, if the cost was the same as fresh; and 21 percent, if the cost was greater. Of the total, 26 percent reported an unwillingness to buy dried whole eggs under any circumstances.

2. How does dried whole egg compare with the fresh product in taste?

The replies of the 102 housewives were divided as follows: 9 percent reported it tasted better than fresh, 42 percent could not tell the difference, 46 percent said it was not as good as fresh eggs, and 3 percent did not know.

3. Since time consumed in preparation is an important consideration in deciding whether to buy certain foods, housewives were asked if there was any difference in the time required to prepare dried whole eggs and the fresh product. Only 27 percent indicated that preparing dried eggs took more time than the preparation of the fresh, 40 percent saw no difference, 34 percent believed it took less time and 1 percent didn't know.

MARGIN BETWEEN FARM AND RETAIL PRICES OF SHELL EGGS

During the past few months there has been much discussion about the mark-ups on shell eggs sold in retail stores. A brief review of the situation indicates that, although on a dollars and cents basis, the spread between wholesale and retail prices may have been much larger than "normal," percentagewise the make-ups were not much different from those in 1935-39 period.

A comparison of the BLS retail price for shell eggs with the average price received by farmers as reported by the Department of Agriculture, gives an indication as to the retailers mark-up. Although this spread is between average price received by farmers and the average retail price, the wholesaler's margin is relatively small and usually varies little.

In table 3 the farm-to-retail price spread is shown on a dollars and cents basis, and also in terms of the percentage of the retail price for shell eggs represented by the average price received by farmers.

In the pre-war period, (1935-39), the spread between the retail price and farm price ranged from a low of 12.3 cents, the April average, to 16.1 cents, the September average. Percentagewise, farmers received from 56.8 percent of the consumer's dollar for eggs in March to 67.5 percent in November. The spread was lowest on a cents-per-dozen basis in the spring, but on a percentage basis was widest at that season.

The war years 1942 and 1943 brought rising egg prices. Although the spread between the farm price and the retail price of shell eggs in those two years on a cents-per-dozen basis ranged from a low of 13.8 cents in April 1942 to a high of 22 cents in October 1943, there was remarkably little change on a percentage basis -- a range of from 62.3 to 70.3 percent. The average spread on a cents-per-dozen basis was higher in 1942 and 1943 than in the 1935-39 period, but on a percentage basis the margin was significantly less. For February-June 1944 the cents-per-dozen and percentage margins between the farm price and the retail price were higher than in the same months of 1942 and 1943. Although the margins for the first 6 months of 1944 were much higher in absolute amounts than in 1935-39, the farm price as a percentage of retail price was greater in 1944 than the average of 1935-39 for the same months.

One general conclusion might be drawn as to the retailer's mark-up for shell eggs. That is, that in periods of high prices, as in the fall, retailers tend to have a greater mark-up in dollars and cents, but percentagewise this mark-up tends to be less than in periods of low prices.

Table 3.- Eggs: Cents per dozen spread between average farm price and BLS retail price; percentage average farm price is of BLS retail price

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
	Spread between average price received by farmers and BLS retail price											
1935-39 average	14.6	13.2	13.4	12.3	12.7	13.4	14.2	15.3	16.1	15.4	14.0	13.4
1942	15.1	14.7	13.9	13.8	14.4	15.0	16.6	19.5	20.5	21.1	20.1	19.6
1943	20.0	16.7	16.3	16.2	16.0	16.5	17.9	20.4	21.1	22.0	20.3	19.0
1944	19.7	18.4	17.7	17.9	17.7	17.6						
	Price received by farmers as percentage of BLS retail price											
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1935-39 average	60.4	60.9	56.8	58.9	58.6	57.5	57.8	57.6	59.8	62.9	67.5	66.6
1942	67.5	65.2	65.0	65.0	64.8	64.6	64.0	62.3	62.9	63.9	65.9	66.9
1943	66.1	67.2	67.6	67.5	68.1	68.1	67.0	65.5	66.3	67.3	69.9	70.3
1944	63.7	63.4	63.0	60.2	60.6	61.5						

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